

Legislative Analysis



FOREIGN-EDUCATED NURSES: REVISE STATE LICENSURE REQUIREMENTS

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4207 (Substitute H-2)
Sponsor: Rep. Hoon-Yung Hopgood
Committee: Health Policy

First Analysis (3-26-07)

BRIEF SUMMARY: The bill would expedite the process by which a foreign-educated nurse could be licensed under the health code by eliminating the requirement that applicants take the Commission on Graduates of Foreign Nursing Schools (CGFNS) examination before taking the state nursing board approved exam. It also would create an expedited process for foreign-educated nurses who previously worked in another state.

FISCAL IMPACT: House Bill 4207 (H-2) will have state fiscal implications for the Department of Community Health. For a more detailed discussion, see the Fiscal Information section.

THE APPARENT PROBLEM:

For over a decade, the state has experienced a serious shortage of nurses, especially registered professional nurses (R.P.N.s). Enrollment in nursing schools has been decreasing for almost a decade, due in part to fewer seats in nursing programs being available as a result of faculty staff shortages. Though efforts to address the shortage of faculty nurse educators have begun, a critical shortage of R.P.N.s is expected to continue for the next 30 years. As a result, some health facilities and practitioners have stepped up recruitment and hiring of nurses educated abroad.

Currently, persons studying nursing outside of the United States are required by the Michigan Board of Nursing to be certified by the Commission on Graduates of Foreign Nursing Schools (CGFNS) before taking the licensing examination approved by the state nursing board – the NCLEX-RN. The CGFNS application process involves a credential review, a qualifying exam of nursing knowledge, and a demonstration of English proficiency. The certification by CGFNS is only offered three times a year and is only offered out of state; therefore, it is not unusual for it to take four to six months for a foreign-educated nurse to complete the CGFNS process. Historically, the CGFNS certification exam was given to foreign-educated nurses as a predictor or indicator of success on a state board exam.

However, immigration rules have changed and so has the examination process for nurse applicants. Now, all state nursing boards use the NCLEX-RN, a national examination developed by the National Council of State Boards of Nursing to test the entry-level nursing competence of candidates for licensure as registered nurses. And, foreign applicants no longer have to wait for entry to the U.S. to take the NCLEX-RN, as the exam is also administered overseas in 18 sites in England, Canada, Germany, India,

Mexico, Taiwan, China, Japan, and most recently, the Philippines. In addition, the state Board of Nursing also requires a separate credentialing verification process and proof of English proficiency. The result is that the CGFNS certification process has become redundant and only slows down the hiring process for a prospective employee in desperate need of qualified nurses. It has been proposed that some of the requirements of the nursing board regarding the licensure of foreign-educated nurses be codified and the requirement for CGFNS certification be eliminated.

THE CONTENT OF THE BILL:

House Bill 4207 would add a new section to the Public Health Code to allow the Michigan Board of Nursing to grant a license to an applicant applying for initial licensure as a registered professional nurse (R.P.N.) who graduated from a nurse education program located outside of the U.S. To be eligible under this provision, the applicant would have to meet the requirements of Section 16174 of the code and satisfy each of the following:

- Provide verification that the nurse education program from which he or she graduated was substantially equivalent to the nursing education programs offered in the state and approved by the nursing board.
- Have passed the requisite board-approved examination for licensure as an R.P.N.

Section 16174 requires an individual licensed or registered under the code to be 18 years of age or older; be of good moral character; have a specific education or experience in the health profession or health profession subfield, or training equivalent, or both, as prescribed by Article 15 of the code or rules of a board necessary to promote safe and competent practice and informed consumer choice; have a working knowledge of the English language as determined in accordance with minimum standards developed by the Department of Community Health; and pay applicable fees.

The bill would also specify that the board could grant a license to an applicant educated outside the U.S. or Canada applying for licensure as an R.P.N. if they meet the requirements described above and provide verification of licensure or registration in each state, country, jurisdiction, territory, and province where they are or had been licensed or registered. Applicants who had maintained active licenses or registrations in another state for at least five years immediately preceding this application and with no disciplinary sanctions would not have to provide the verification that a program from which they graduated was substantially equivalent to board-approved nursing education programs.

MCL 333.17213

BACKGROUND INFORMATION:

Legislation enacted several years ago (Public Act 256 of 2000) allowed the Board of Nursing to grant a temporary license to a registered professional nurse (R.P.N.) from

Canada so that the Canadian R.P.N. could be hired while he or she completed the CGFNS certification process and sat for the state licensing board exam. The legislation was slated to sunset October 1, 2004, but has been extended by subsequent legislation until January 1, 2012.

FISCAL INFORMATION:

The bill permits additional persons to receive state licensure as a registered professional nurse. More nurses will obtain Michigan licenses, increasing revenue to the Health Professions Regulatory Fund which supports the licensing programs, and to the Nurse Professional Fund. The fee is currently \$45 for initial licensure and \$48 for renewal (every 2 years) licensure. The Department indicates that as of March 6, 2007 there are 122,910 RNs licensed to practice in Michigan.

The bill may help to address a shortage of nurses in Michigan, which will assist in management of health care costs and may then have a beneficial impact on state costs for medical care.

ARGUMENTS:

For:

The bill would expedite the process by which registered professional nurses (R.P.N.s) educated in other countries could be licensed to practice within Michigan. The bill would eliminate the current requirement of the state nursing board that foreign-educated nurses be certified by the Commission on Graduates of Foreign Nursing Schools (CGFNS) before taking the board-approved nursing exam. The bill would also speed up the licensing process for a foreign-educated nurse who has been licensed by another state or, until 2012, a province of Canada. Since the requirement for the CGFNS credential was first adopted, immigration laws have changed; the nursing board adopted a national exam, the NCLEX-RN, as its approved licensing examination; a foreign-educated applicant can take the NCLEX-RN before immigrating to the U.S.; and the nursing shortage has reached a critical state.

In short, there no longer is a reason to require CGFNS certification prior to the NCLEX-RN. Eliminating the requirement will shorten the time it takes for an applicant to be able to work as a nurse in the state. In light of the ongoing nurse shortage, many in the healthcare industry support the bill and see it as assisting them in attracting nursing professionals and getting those professionals working in hospitals and nursing homes more quickly.

For:

The bill would not undercut safety to the state's citizens. The NCLEX-RN examination is given in English, regardless of the test site at which it is administered and is administered with the same security policies and procedures used to administer the test domestically. In addition, the bill will require the Michigan Board of Nursing to continue its current policy of requiring verification of education and proof of English proficiency.

The bill is different from legislation passed in 2000 to address the nursing shortage. Under that legislation, Canadian nurses are able to obtain a temporary license that allows them to work as nurses while waiting to complete the CGFNS credentialing process and take the NCLEX-RN. That provision will expire in 2012 and is not available to nurses educated in other countries.

Since 2005, 25 percent of nurses working in the U.S. have been educated outside of the U.S. With the nursing shortage expected to worsen as more baby boomers need increased medical care, these qualified nursing professionals educated abroad are needed to supplement the available pool of nurses.

POSITIONS:

The Michigan Department of Community Health indicated support for the bill. (3-22-07)

A representative of the Philippine Nurses Association testified in support of the bill. (3-22-07)

A representative of the Far Eastern and American Nurses Association of the Great Lakes testified in support of the bill. (3-22-07)

The Michigan Health and Hospital Association (MHA) supports the bill. (3-22-07)

St. John Health supports the bill. (3-22-07)

Oakwood Healthcare supports the bill. (3-22-07)

Trinity Health indicated support for the bill. (3-22-07)

Legislative Analyst: Susan Stutzky
Fiscal Analyst: Susan Frey

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.